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TORONTO STOCK EXCHANGE

FILING STATEMENT No. 556.
ACCEPTED FOR FILING, MARCH 17th. 1961.

WERNER LAKE NICKEL MINES LIMITED

Full corporate name of Company

Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated November 19, 1954

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous Filing Statement No. 459.

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Underwriting and Option Agreement of 1,000,000 treasury shares of the Company as set out in item 6 hereof.
2. Head office address and any other office address.	Suite 311, 200 Bay Street, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director - R.C.C. Henson, 17 Chestnut Park Road, Toronto, Ontario, Stockbroker Vice-President & Director - George D. Clarke, 6 Pheasant Lane, Islington, Executive Secretary-Treasurer & Director - George E. Kennedy, 22 Bessborough Dr., Toronto, Executive Director - H.L. Coons, 77 Baby Point Road, Toronto, Engineer Director - Evan T. Donaldson, 224 St. George St., Toronto, Prospector and Mining Executive Director - C.L. Hershman, 16 Wellington St. West, Toronto, Engineer Director - Dr. J.C.T. Sihler, Simcoe, Ontario, Physician
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized - 5,000,000 shares par value $1.00 Issued and Outstanding - 3,551,672 shares par value $1.00
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	See Schedule 'A' attached hereto on page 2.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	y Agreement dated March 3, 1961, between the Company and S.J. Brooks & Co., 185 Bay Street, Toronto, Ontario, as Underwriter, the Underwriter agreed to purchase 200,000 shares at a price of 10 cents per share on behalf of Inter-Commonwealth Industries Limited and a further 200,000 shares at a price of 12½ cents per share on behalf of Inter-Commonwealth Industries Limited as to 100,000 shares and Annapolis Investments Limited as to 100,000 shares, with payment of the sum of $45,000.00 therefor to be made by the Underwriter forthwith upon acceptance for filing of the within filing statement, and in consideration of such purchase the Underwriter acting on behalf of Inter-Commonwealth Industries Limited as to a 50% interest, Annapolis Investments Limited as to a 25% interest, Evandon Exploration & Holdings Limited as to a 10 5/6% interest, Consolidated Mogul Mines Limited as to a 10 5/6% interest and Trove Holdings Limited as to a 3 1/3% interest, was granted options to purchase a further 600,000 shares of the Company exercisable as to 200,000 shares at 15 cents per share within 3 months, as to 200,000 shares at 20 cents per share within 6 months and 200,000 shares at 25 cents per share within 9 months.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	R.C.C. Henson, 17 Chestnut Park Road, Toronto, George E. Kennedy, 22 Bessborough Drive, Toronto, L.M. Collins, Boynton Beach, Florida, R.W. Burtt, 7 McLennan Avenue, Toronto and C.H. Wastle, 34 Morewood Crescent, Toronto, are the only persons holding a greater than 5% interest in Inter-Commonwealth Industries Limited. Evan Thomas Donaldson, 224 St. George Street, Toronto, is the only person holding a greater than 5% interest in Evandon Exploration & Holdings Limited. Willard Meredith Gordon, 346 Riverview Drive, Toronto, is the only person holding a greater than 5% interest in Trove Holdings Limited. George D. Clarke, 6 Pheasant Lane, Islington, is the only person holding a greater than 5% interest in Annapolis Investments Limited. Consolidated Mogul Mines Limited is a public Company listed on the Toronto Stock Exchange and the Company is unaware as to the names and addresses of the persons holding a greater than 5% interest therein.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	There are no payments in cash or securities of the Company made or to be made to a promoter or finder in connection with the Underwriting and Option Agreement referred to in paragraph 6 hereof.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	ıe proceeds received by the Company in respect of the sale of 200,000 shares at 10 cents per share and 200,000 shares at 12½ cents per share will be applied as follows: (a) To discharge current liabilities $7,000.00. (b) To make principal and interest payments due under second mortgage on March 28, 1961, $6,350.00 (c) Further exploration work including underground diamond drilling and for general corporate purposes $31,650.00. Additional exploration and development plans by the Company will depend upon the amount of royalty payments received by the Company and the proceeds from the sale of any optioned shares, the details of which are unable to be determined at the present time.

MAR 30 1961

SCHEDULE 'A'

The Company's property comprising 20 mining claims in the Virginia Mining District, County of Hidalgo, New Mexico, U.S.A., upon which are located 2 shafts known as the Henry Clay Mine and the Atwood Mine, is subject to the following mortgages:

(a) A first realty mortgage in the original amount of $70,000.00 and of which there is presently outstanding $49,880.32, which mortgage is repayable in monthly or quarterly instalments at the rate of 75% of the Company's net income, such mortgage bearing interest at the rate of 6% per annum with the full amount becoming due and payable on December 28, 1962. The Company is not in default with respect to this mortgage. The foregoing first realty mortgage is held by Superior Fuels & Supplies Limited, 185 Bay Street, Toronto, Ontario.

(b) A second realty mortgage in the original amount of $35,000.00 U.S. Funds repayable with interest at 6% per annum at the rate of $5,000.00 on account of principal in seven semi annual instalments on June 28 and December 28 in each of the year 1960, 1961 and 1962 with the final payment being due on June 28, 1963. The Company has made the $5,000.00 payment on account of principal, together with interest thereon which was due on June 28, 1960 and the $5,000.00 payment on account of principal, together with interest thereon which was due on December 28, 1960 has been extended by written agreement to March 28, 1961. As a result there is presently a principal amount of $30,000.00 outstanding on this second mortgage with the next payment on account of principal being due March 28, 1961 and June 28, 1961. The second realty mortgage is held by Atwood Mine Incorporated, a New Mexico Corporation.

The Company is also obligated to pay a royalty under the Defence Minerals Exploration Administration Act of the United States (hereinafter called the D.M.E.A. royalty), which royalty is payable at the rate of 1½% of the net smelter returns on ore produced from certain sections of the mine on or before June 1962. The obligation to pay such royalty only relates to ore produced from certain sections of the mine on or before June 2, 1962 and upon that date the obligation to pay such royalty terminates.

SCHEDULE 'B'

S.J. Brooks & Co., 185 Bay Street, Toronto, Ontario	1,215,900 shares (503,450 escrowed shares)
Draper Dobie & Co.,Ltd., 25 Adelaide Street West, Toronto, Ontario	537,000 shares
Doherty Roadhouse & Co., 335 Bay Street, Toronto, Ontario	98,500 shares
Matthias H. Scheidler, Hartford City, Indianna	60,000 shares
R.C.C. Henson, 17 Chestnut Park Road, Toronto, Ontario	51,638 shares (all escrowed)

The Company has no knowledge of the beneficial ownership of the shareholdings listed above except that it has been advised by S.J. Brooks & Co., that of the shares registered in their name, the following are beneficially held for the undernoted clients:

George D. Clarke	467,000 escrowed shares
B.J. McKinnon in Trust	36,450 escrowed shares
R.C.C. Henson	65,963 free shares
Superior Fuels & Supplies Limited	128,572 free shares

SCHEDULE 'C'

The Company has entered into an Agreement dated November 25, 1959 with Brannan and Fuller, Mining Contractors of Silver City, New Mexico, the lessors of a property adjoining the Company's property and known as the "85 Mine", pursuant to which the contractors will carry on mining operations at the rate of 200 tons per day and will pay to the Company an overriding royalty of $1.00 per ton on all ore mined underground from the Henry Clay and Atwood Mines and the "85 Mine" and hoisted through the Henry Clay Mine shaft until $100,000.00 in royalties has been paid to the Company, together with a further royalty of 10% of the net smelter or mill returns on all ores produced from the Henry Clay and Atwood Mines. The Contractors are also obligated to pay any D.M.E.A. royalty on any ores extracted by them from the Henry Clay and Atwood Mines subject to this royalty, which royalty payment will be credited against the 10% royalty of net smelter or mill returns. Such agreement is subject to termination by the Company at any time on 90 days written notice, subject to the Company's obligation to pay the contractors for any ore developed by the contractors and not mined by the termination date. By subsequent agreement dated June 24, 1960 the Contractors agreed to pay to the Company a further overriding royalty of 50¢ per ton on all ore hoisted through the Atwood Mine shaft. The operating agreement dated November 25, 1959 was further modified and amended by agreement dated August 1, 1960 made with the Contractors pursuant to which the Contractors agreed to sink a shaft on the Henry Clay Mine from 700 feet to 800 feet, cut a station, ore pocket, water sump and crosscut to the existing vein on the 800 feet level, in consideration of the Company agreeing to waive the above noted overriding royalty payments until such time as the overriding royalty payments if made, would have amounted to $10,000.00, and at which time the overriding royalty payments shall recommence but shall be on the following amended basis:

On all ores hoisted through the Henry Clay and Atwood Mine shafts where the value of the ore hoisted is from:

0	to	$7.50 per ton	nil	royalty per ton
7.51	to	$8.50 per ton	15¢	royalty per ton
8.51	to	$9.50 per ton	35¢	royalty per ton
9.51	to	$10.50 per ton	55¢	royalty per ton
10.51	to	$11.50 per ton	80¢	royalty per ton
11.51	and over	per ton	$1.00	royalty per ton

The foregoing amended overriding royalty payments are in addition to the basic 10% royalty on net smelter or mill returns on ores produced from the Henry Clay and Atwood Mines.

FINANCIAL STATEMENTS

WERNER LAKE NICKEL MINES LIMITED

BALANCE SHEET AS AT DECEMBER 31st, 1960

ASSETS

CURRENT			
Cash in Bank	722.18		
Accounts Receivable	4456.17		
Prepaid Expense	673.20	$ 5851.55	
MINING CLAIMS AND INTERESTS AT COST			
Mining Claims, Red Lake Mining Division 16 Patented Claims acquired for a consideration of 900,000 shares of Capital Stock at a value of 10¢ per share	90000.00		
Mining Claims, Virginia Mining District, County of New Mexico, New Mexico, U.S.A. 14 patented mining claims and 19 unpatented mining claims acquired for cash. See Note # 1.	200758.70		
Less; Depletion based on royalty income	26553.89	174204.81	
Lease and option to purchase Mining Claims, Virginia Mining District, County of Hildago, New Mexico, U.S.A. 6 unpatented claims	Nil	$ 264204.81	
Mine Buildings, Machinery and Equipment at cost		$ 63685.62	
Exploration, Development and Administrative Expense		$ 362792.39	
Incorporation Expense		$ 2151.70	
Deferred Discount on Notes Payable (Amortized Value)		$ 13334.34	
		$ 712020.41	

LIABILITIES

CURRENT			
Bank Overdraft	5179.03		
Accounts Payable	6867.45		
Property Taxes	1084.01	$ 13130.49	
NOTES PAYABLE			
Superior Fuels & Supplies Limited 6% secured by a first realty mortgage and first chattel mortgage on the New Mexico property and equipment of the company repayable at the rate of 75% of the net income of the Company and maturing on December 28, 1962	70000.00		
Less: Amounts paid	20119.68	49880.32	
Atwood Mines Incorporated 6% secured by a second realty mortgage on the New Mexico property of the Company, repayable $5000.00 semi-annually next payment due March 28,1961. Principal amount $30000.00 U.S. converted to Canadian	28498.44	$ 78378.76	

CAPITAL

Authorized: 5,000,000 shares par value $1.00 per share

Issued and fully paid:

	For Mining Properties	For Cash and other Consideration	
3,551,672	900,000.00	2,651,672.00	3551672.00
Less: Discount	810,000.00	2,108,167.00	2918167.00
	90,000.00	543,505.00	633505.00
Less; Loss on abandoned claims			12993.84
			$ 620511.16
			$ 712020.41

Note 1. A royalty equal to 1½% of net Smelter returns is payable on ore produced from certain sections of the Atwood Mine on the New Mexico Property on or before June 1962

Note 2. U.S.Funds have been converted at applicable rates in accordance with the Company's usual accounting practise.

APPROVED ON BEHALF OF THE BOARD

Director

"R.C.C. Henson"

Director

"G.E. Kennedy"

WERNER LAKE NICKEL MINES LIMITED

STATEMENT OF NET INCOME FROM ROYALTIES

FOR YEAR ENDED DECEMBER 31st, 1960.

INCOME			
Royalty-Henry Clay		29350.61	
Less: Depletion credited to property investment		7337.65	22012.96
Tram Fee			24632.64
			46645.60
EXPENSE AND MATERIALS			
Repairs & maintenance-Timbering		2346.04	
Insurance		68.31	
Property Taxes		2172.06	
Rental- Mine Lamps		1256.00	
Office Expenses		111.87	
Legal & Accounting		4828.39	
Travelling Expenses-U.S.A.		4367.34	
Travelling Expenses-Can		3457.16	
Interest on Mortgage Loans		5265.17	
Discount on Mortgage Loan		6665.66	30538.00
			16107.60
Add:			
Adjustment for foreign exchange		493.39	
Adjustment to Royalty Income		1484.85	1978.24
Net Income for the Year transferred to exploration, development and administration expense			$ 18085.84

WERNER LAKE NICKEL MINES LIMITED

SCHEDULE OF EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENSE

FOR YEAR ENDED DECEMBER 31st, 1960

Exploration, Development & administrative New Mexico	Totals to Dec.31/59	Expend. 1960	Totals to Dec.31/60
Labor, Material & Sundry Expense	$ 339036.57	9900.00	348936.57
Share of Canadian Expense			
Exploration & Development	15003.49		15003.49
Administrative	27897.98		27897.98
	$ 381938.04	9900.00	391838.04
Less: Net revenue from sale of ore	$ 17670.25		17670.25
Sale of Sundry Supplies	4017.96		4017.96
Net Income from royalties	43518.70	18085.84	61604.54
	$ 65206.92	18085.34	83292.76
	$ 316731.12	8185.84	308545.28
Exploration & Development-Canadian			
Diamond Drilling	$ 21847.52		21847.52
Assays	637.53		637.53
Engineering & Supervision	7276.64		6276.64
Engineering Expense	5100.00		5100.00
Prospecting	7825.29		7825.29
Freight & Transportation	3817.95		3817.95
Licenses & Fees	633.39	70.91	704.30
Geological Surveys	6697.24		6697.24
Miscellaneous	68.53		68.53
Unemployment Insurance	20.75		20.75
Management Fees	3250.00		3250.00
	$ 57174.84	70.91	57245.75
Less: Transfer to New Mexico Dev.	15033.49		15033.49
	$ 42141.35	70.91	42212.26
Administrative-Canadian			
Office-Acc'tg, Supp. Printing etc.	$ 10398.57	702.96	11101.53
Telephone & Telegraph	842.27	21.51	863.78
Legal & Audit	7638.52	1250.00	8938.52
Insurance	188.64		188.64
Travel	5049.21		5049.21
Advertising	5598.16		5598.16
Meeting & Reports	5295.19	185.17	5480.36
Transfer Agents Fees & Expenses	4213.52	1391.83	5605.35
Directors Fees		800.00	800.00
	$ 39274.08	4351.47	43625.55
Less: Transfer to New Mexico Dev.	27897.98		27897.98
	$ 11376.10	4351.47	15727.57
	$ 370248.57	(3763.46)	366485.11
Less: Interest Income	3692.72		3692.72
Total	$ 366555.85	(3763.46)	362792.39

10. Brief statement of company's chief development work during past year.	The Company's property in New Mexico was operated by independent mining contractors on a royalty basis during the year 1960. Such contractors mined and shipped approximately 200 tons per day from the Company's property and carried out additional development work thereon, from which operation the Company received in royalty payments during the year 1960 the sum of $53,983.25. Reference is made to paragraph 19 hereof for further information with respect to the operation of the Company's property by the independent mining contractors on a royalty basis
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	The Company has no present intention of purchasing any property or other assets.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	810,000 shares are held in escrow subject to release only on the consent of the Ontario Securities Commission and the Board of Directors of the Company and subject to transfer or other alienation within escrow only with the consent of the Ontario Securities Commission
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	S.J. Brooks & Co., 185 Bay Street, Toronto, Ontario. — 503,450 shares K.J. Donaldson in Trust, 15 Linden Street, Toronto, Ontario. — 50,000 shares R.C.C. Henson, 17 Chestnut Park Road, Toronto, Ontario. — 51,638 shares Consolidated Mogul Mines Limited, 25 Adelaide Street West, Toronto, Ontario. — 50,000 shares The shares registered in the name of S.J. Brooks & Co. are beneficially owned by George D. Clarke as to 467,000 shares and B.J. McKinnon in Trust as to 36,450 shares. The shares registered in the name of R.C.C. Henson and Consolidated Mogul Mines Limited are beneficially owned.
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	See Schedule 'B' attached hereto on page 2.
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person has shareholdings large enough to materially affect control of the Company, however the present management may be in a position to materially affect control of the Company if it is able to obtain proxies from the 5 largest shareholders of the Company referred to in item 15 hereof.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	nil
18. Brief statement of any lawsuits pending or in process against company or its properties.	nil
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	See Schedule 'C' attached hereto on page 3.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts not disclosed in the foregoing, however reference is made to previous filing statement No. 459 with respect to further information concerning the Company. Upon the Underwriting and Option Agreement referred to in paragraph 6 hereof becoming effective the shares of the Company will then be in the course of primary distribution to the Public.

DATED March 7, 1961.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

WERNER LAKE NICKEL MINES LIMITED

"R.C.C. Henson" by _____ Pres. CORPORATE SEAL

"G.D. Clarke" _____ Vice-Pres.

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

S.J. BROOKS & CO.

"E.E. Lewis" by _____

"S.J. Brooks" _____